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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[C-122-854]**

**Supercalendered Paper from Canada: Preliminary Results of Countervailing Duty Administrative Review and Rescission, in Part; 2015**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is conducting an administrative review of the countervailing duty (CVD) order on supercalendered paper (SC paper) from Canada. The period of review (POR) is August 3, 2015, through December 31, 2015. We preliminarily determine that Port Hawkesbury Paper LP (Port Hawkesbury); Resolute FP Canada Inc. and Resolute FP US Inc. (collectively, Resolute); and Irving Paper Limited (Irving) received countervailable subsidies during the POR. Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:** Nicholas Czajkowski, Emily Halle, or Aimee Phelan, Office I, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1395, (202) 482-0176, and (202) 482-0697, respectively.

## SUPPLEMENTARY INFORMATION:

### *Background*

On December 10, 2015, Commerce issued a countervailing duty order on *SC paper from Canada*.<sup>1</sup> Several interested parties requested that Commerce conduct an administrative review of the *CVD Order*, and, on February 13, 2017, Commerce published in the Federal Register a notice of initiation of an administrative review of the *CVD Order* for four producers/exporters for the POR.<sup>2</sup>

### *Scope of the Order*

The product covered by this order is SC paper. A full description of the scope of the order is contained in the Preliminary Decision Memorandum, which is hereby adopted by this notice.<sup>3</sup>

### *Methodology*

Commerce is conducting this CVD administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.<sup>4</sup> For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum. The list of topics discussed in the Preliminary Decision Memorandum is included as an Appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and

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<sup>1</sup> See *Supercalendered Paper From Canada: Countervailing Duty Order*, 80 FR 76668 (December 10, 2015) (*CVD Order*).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 10457 (February 13, 2017).

<sup>3</sup> See Memorandum, “Decision Memorandum for the Preliminary Results of Administrative Review of the Countervailing Duty Order on Supercalendered Paper from Canada; 2015,” dated concurrently with this notice (Preliminary Decision Memorandum).

<sup>4</sup> See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

We calculated a CVD rate for each producer/exporter of the subject merchandise for which an administrative review was requested, except as discussed below.

#### *Partial Rescission of Administrative Review*

Commerce initiated an administrative review of the *CVD Order* on February 13, 2017 for Catalyst Paper Corporation, Catalyst Pulp and Paper Sales Inc., and Catalyst Paper (USA) Inc. (collectively, Catalyst). On April 24, 2017, we issued the final results of the expedited review of the *CVD Order*, in which we determined a countervailable subsidy rate for Catalyst that is *de minimis*. Therefore, pursuant to 19 CFR 351.214(k)(3)(iv), we excluded Catalyst from the *CVD Order*.<sup>5</sup> On May 17, 2017, Commerce issued a memorandum stating our intention to rescind the administrative review with respect to Catalyst.<sup>6</sup> Therefore, because Catalyst has been excluded from the *CVD Order*, we are rescinding the administrative review with respect to Catalyst.

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<sup>5</sup> See *Supercalendered Paper From Canada: Final Results of Countervailing Duty Expedited Review*, 82 FR 18896 (April 24, 2017) (*Expedited Review*) and accompanying Issues and Decision Memorandum.

<sup>6</sup> See Memorandum, "Rescission of Catalyst Paper Corporation, Catalyst Pulp and Paper Sales Inc., and Catalyst Paper (USA) Inc.," May 17, 2017.

### *Preliminary Results of Review*

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual subsidy rate for Port Hawkesbury, Resolute, and Irving. For the POR, we preliminarily determine that the following net subsidy rates for the producers/exporters under review to be as follows:

<b>Company</b>	<b>Subsidy Rate</b>
Port Hawkesbury Paper LP	15.65 percent
Resolute FP Canada Inc., and Resolute FP US Inc.	1.79 percent
Irving Paper Limited	5.13 percent

### *Disclosure and Public Comment*

Commerce will disclose to parties to this proceeding the calculations performed in connection with these preliminary results within five days of publication of this notice.<sup>7</sup> Unless the Department changes the deadlines, interested parties may submit case briefs within seven days after the date on which the last verification report is issued in this proceeding, and rebuttal briefs no later than five days after the deadline for filing case briefs.<sup>8</sup> Rebuttal briefs must be limited to issues raised in the case briefs.<sup>9</sup> Parties who submit case or rebuttal briefs are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and, (3) a table of authorities.<sup>10</sup> Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using ACCESS. Requests

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<sup>7</sup> See 19 CFR 351.224(b).

<sup>8</sup> See 19 CFR 351.309(c)(1)(ii) and (d)(1).

<sup>9</sup> See 19 CFR 351.309(d)(2).

<sup>10</sup> See 19 CFR 351.309(c)(2) and (d)(2).

should contain the party's name, address, and telephone number; the number of participants; and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, within 120 days after the date of publication of these preliminary results.

#### *Assessment Rates and Cash Deposit Instructions*

Upon completion of the administrative review, pursuant to section 751(a)(1) of the Act, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue assessment instructions to CBP 15 days after publication of the final results of this review.

Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated above for each company listed on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

As discussed above, Commerce is rescinding the administrative review with respect to Catalyst. As we explained in the *Expedited Review*, Commerce's practice with respect to exclusions of companies from a CVD order is to exclude the subject merchandise both produced and exported by those companies.<sup>11</sup> As a result, we instructed CBP to discontinue the suspension of liquidation and the collection of cash deposits of estimated countervailing duties on all shipments of SC paper produced and exported by Catalyst, entered, or withdrawn, from warehouse for consumption on or after April 24, 2017.<sup>12</sup> In addition, we instructed CBP to liquidate, without regard to countervailing duties, all suspended entries of shipments of SC paper produced and exported by Catalyst, and to refund all cash deposits of estimated countervailing duties collected on all such shipments that were suspended on or after August 3, 2015.<sup>13</sup> Merchandise that Catalyst exports but does not produce, as well as merchandise Catalyst produces but is exported by another company, remain subject to countervailing duty order.<sup>14</sup>

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Dated: December 21, 2017.

**Gary Taverman,**  
*Deputy Assistant Secretary*  
*for Antidumping and Countervailing Duty Operations,*  
*performing the non-exclusive functions and duties of the*  
*Assistant Secretary for Enforcement and Compliance.*

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<sup>11</sup> See *Expedited Review*, 82 FR at 18897 (citing *Certain Corrosion-Resistant Steel Products from India, Italy, Republic of Korea and the People's Republic of China: Countervailing Duty Order*, 81 FR 48387 (July 25, 2016)).

<sup>12</sup> See CBP Message Number 7122301, dated May 2, 2017.

<sup>13</sup> *Id.*

<sup>14</sup> See *Expedited Review*, 82 FR at 18897.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Subsidies Valuation
- V. Analysis of Programs
- VI. Disclosure and Public Comment
- VII. Conclusion

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